STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

August 26, 2011

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Hawaii

PSF No.: 11HD-023

Sale of Remnant to Thomas Christian Monson and Carolyn Joann Monson, Lepoloa-Kauniho Homesteads, North Hilo, Hawaii, Tax Map Key: 3rd/3-1-02, portion.

APPLICANT:

Thomas Christian Monson and Carolyn Joann Monson, husband and wife, as Joint Tenants.

LEGAL REFERENCE:

Section 171-52, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Lepoloa-Kauniho Homesteads, North Hilo, Hawaii, identified by Tax Map Key: 3rd/3-1-02: portion, as shown on the attached map labeled Exhibit A.

AREA:

To be determined by survey.

ZONING:

State Land Use District:

Urban

County of Hawaii CZO:

Residential-RS 10

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Vacant and unencumbered.

CONSIDERATION:

One-time lump sum payment of fair market value to be determined by independent or staff appraiser, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

Not applicable. Subject lands are to be conveyed to abutting landowner(s) and will become privately owned land at that point.

DCCA VERIFICATION:

Applicants are individuals, and as such are not required to register with the DCCA.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Pay for an appraisal to determine the one-time payment of fair market value for the remnant:
- 2) Consolidate the remnant with the Applicant's abutting property through the County subdivision process;
- 3) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;

REMARKS:

Pursuant to section 171-52, HRS, a remnant is defined as "a parcel of land economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics." The subject parcel has been determined to be a remnant by this definition for the following reasons:

The parcel is an abandoned flume right-of-way.

The Applicant is the owner of parcel (3) 3-1-02:26 as staff has confirmed by the applicant providing a copy of the Warranty Deed and an on-line research through the County of Hawaii Real Property Tax Office. According to Section 171-52, HRS, if there is more than one abutting owner who is interested in purchasing the remnant, it shall be sold to the one submitting the highest sealed bid or if the remnant abuts more than one parcel, the Board may subdivide the remnant so that a portion may be sold to each abutting owner. The abutting property owner in this case was sent a notice offering them a portion of the remnant land.

A response to the offer letter was received indicating their desire to participate in the sale of the remnant State land. An application to proceed with the request was sent out to complete the process. However, there has been no further response from the abutting landowner. A follow-up letter was sent, again with no response. As a result of the lack of response from the abutting landowner, staff will proceed with the sale of the entire remnant to the applicant.

The remnant State land was a flume right-of-way used by the sugar companies for transporting cut cane to the processing mills. The site does not show any evidence of a flume structure and appears to have been abandoned many years ago. Several portions of the flume have previously been sold and the subject remnant represents one of two remaining parcels of the old right-of-way.

Various governmental agencies were solicited for comments. All respondents had no objections to the request as indicated below:

County of Hawaii Agencies	Comments
Environmental Management	No Comments
Fire Department	No Comments
Planning	No Response
Public Works	No Response
State of Hawaii Agencies	Comments
DOH-Environmental Management	No Comments
DHHL	No Objections
DLNR-Historic Preservation	No Response
DOT-Highways Division	No Comments
Other Agencies	Comments
Office of Hawaiian Affairs	No Response
U.S. Army Corps. Of Engineers	No Response

The Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

RECOMMENDATION:

That the Board:

- 1. Find that the subject lands are economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics and, therefore, by definition is a remnant pursuant to Chapter 171, HRS.
- 2. Authorize the subdivision and consolidation of the subject remnant by the Applicant.

3. Subject to the Applicant fulfilling all of the Applicant Requirements listed above, authorize the sale of the subject remnant to Thomas Christian Monson and Carolyn Joann Monson, husband and wife, as Joint Tenants covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

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- a. The standard terms and conditions of the most current deed or grant (remnant) form, as may be amended from time to time;
- b. Review and approval by the Department of the Attorney General; and
- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Gordon Heit

APPROVED FOR SUBMITTAL:

William J. Aila, Jr., Chairperson

TMK: 3RD/3-1-02:

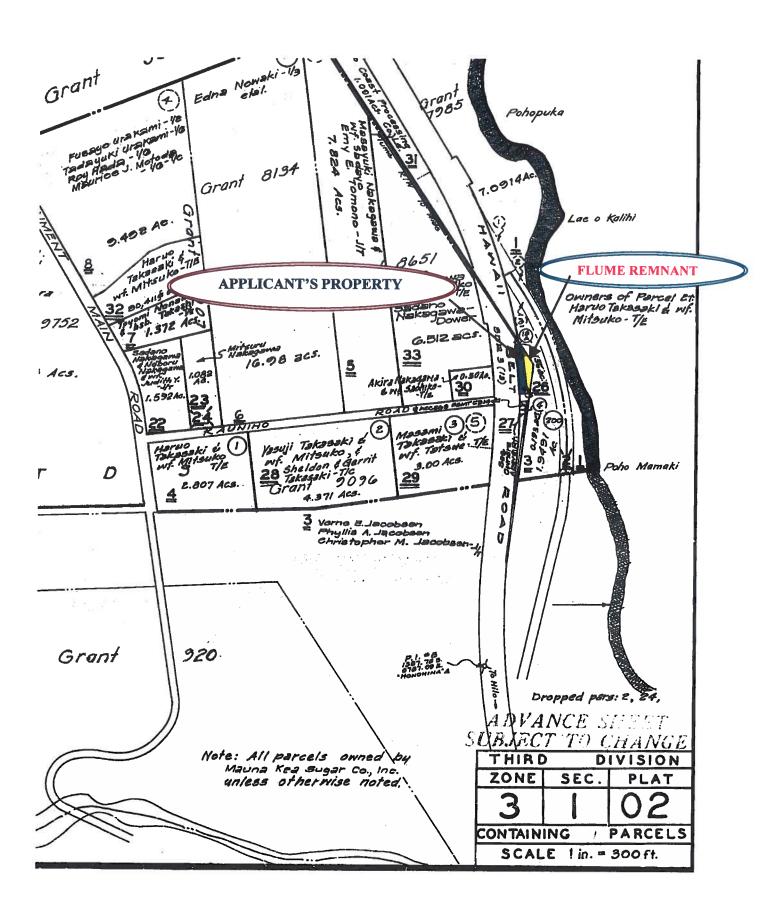


EXHIBIT A

Flume Remnant



